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February 17, 1989

The Honorable Anthony C. Beilenson Chairman, House Permanent Select Committee on Intelligence SH-211 Hart Senate Office Building Washington, DC 20510

Dear Chairman Beilenson:

As Panel Chairman Philip Odeen mentioned when he transmitted to you NAPA's report, The Intelligence Workforce for the 1990s: a Review of Personnel and Compensation Systems to Meet Current and Future Missions, the NAPA project staff has prepared a case study on the 9.6 percent pay increase implemented for some Intelligence Community employees following the Foreign Service Act of 1980.

The attached case study report summarizes the legislative history behind the 1980 Act and presents the chronology of events which led to the CIA-wide increase and the decision to apply it to some NSA staff. I believe this information will be useful to the congressional intelligence committees as they work with the intelligence agencies on future compensation issues.

Of particular interest is that the legislative history shows that the pay schedules derived from the 1980 Foreign Service Act appear to have been designed to compensate members of the Foreign Service at a level above that of General Schedule employees; recognition of the "overseas dimension" of Foreign Service work. This had not earlier been clear.

This report was reviewed by staff from among the intelligence agencies and ICS. Their comments, which were minimal, have been incorporated.

I have simultaneously transmitted a copy of this report to the Congressman Boren, Chair of the Senate Select Committee on Intelligence. If you have additional questions on this topic, feel free to call upon me at any time.

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Don I. Wortman Project Director